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Original Title Page

CMA CGM/COSCON SLOT EXCHANGE AGREEMENT

ASIA - U.S. WEST COAST

FMC Agreement No. 012409

Expiration Date: In accordance with Article 7 hereof



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WHEREAS: CMA CGM (defined below) operates a general container service known as the "PRX Service";

WHEREAS: COSCON (defined below) operates a general container service known as the "CEN Service";

WHEREAS: COSCON (defined below) operates a general container service known as the "MD1 Service"; and

WHEREAS: Each Party wishes to utilize part of the other Party's carrying capacity in order to carry their cargoes in containers.

NOW THEREFORE: in consideration of the premises and the mutual covenants herein contained, the Parties hereto agree as follows:

1. Parties

The Parties to this Agreement are:

CMA CGM S.A. ("CMA CGM")
4, Quai d'Arenc
13235 Marseille Cedex 02, France

and

COSCO CONTAINER LINES COMPANY, LIMITED ("COSCON")
378, Da Ming Road (East)
Shanghai, The People's Republic of China

2. Definitions

"Agreement" means this Agreement, to be known as the CMA CGM/COSCON Slot Exchange Agreement.

"Party" means either CMA CGM or COSCON.

"Container(s)" means any ISO standard container(s) with a maximum height of 9'6" including any reefer and/or other special containers, provided they meet ISO standards.

"Vessel(s)" means a purpose built containership maintained in service by CMA CGM or by COSCON.

- "Slot" means the space occupied by one 20' x 8' x 8'6" ISO container for the predetermined maximum average gross weight.
- "The Loading Party" means the Party on whose vessels (owned and/or operated) the containers are loaded. On CEN and MD1 Services, Parties agree that COSCON is considered to be the Loading Party towards CMA CGM of all vessels employed in the service. On PRX Service, Parties agree that CMA CGM is considered to be the Loading Party towards COSCON of all vessels employed in the service.
- "The Shipping Party" means the Party who is shipping containers on the other Party's vessels. On PRX Service, Parties agree that COSCON is deemed to be the Shipping Party. On CEN and MD1 Services, Parties agree that CMA CGM is deemed to be the Shipping Party.
- "String" or "Strings" means the CMA CGM and COSCON strings described in Article 8 hereto.

3. Undertaking and Purpose

Subject to the terms and conditions hereinafter set forth, CMA CGM and COSCON undertake to allow each other to charter Slots on a used or unused and roundtrip basis on their Vessels in the geographic scope defined in Article 4 hereof for the carriage of Containers of the volume and on the terms hereinafter further defined. This Agreement shall further serve to authorize the Parties to enter into further agreements as provided under Article 16 herein.

Each Party undertakes to meet its commitment and pay any and all amounts as hereunder described.

4. Scope of the Agreement

This Agreement covers the trade between the ports in The People's Republic of China (including Hong Kong), Singapore, Malaysia, Vietnam, Canada and the Pacific Coast of the United States of America.

There shall be no geographic restrictions on the origin or destination of cargo carried on vessels employed in the Services established pursuant to this Agreement. In other words, such cargo may originate from or be

destined for ports or points outside the geographic scope of this Agreement, and the inclusion of any such non-U.S. trades in this Agreement shall not bring such non-U.S. trades under the jurisdiction of the U.S. Federal Maritime Commission or entitle the Parties hereto to immunity from the U.S. antitrust laws with respect to such non-U.S. trades.

5. Containers and Cargo

The Shipping Party will be allowed to ship only dry-cargo Containers, reefers and empty Containers meeting the definition mentioned in Article 2 hereof. Loaded Containers shall be in a seaworthy condition, containing lawful merchandise of any kind, including IMO cargo, properly packed and secured. Containers not meeting the above criteria may be refused for carriage.

The Parties are authorized to discuss and agree on rules relating to the acceptance of dangerous, breakbulk and out-of-gauge cargoes.

6. Schedules

Parties are entitled to modify the structure of their service, however, should a Party modify structurally its own service and the other Party be of the opinion that such modification is or may be materially detrimental to its own performance on the service, the Parties shall review the terms of this Agreement. If the Parties cannot in good faith agree upon terms, the other Party may terminate the Agreement upon 30 days' written notice.

7. Duration and Termination

This Agreement shall be valid as from the Commencement Date and will remain in force until 31 March, 2017, and thereafter for an unlimited period of time, unless terminated by giving a three (3) months written notice of termination. Such notice of termination shall not be served before the 31 December 2016.

The "Commencement Date" shall mean the later of (i) the earliest starting dates between the first voyages of each Service (as defined in Article 8) occurring in on or about May 10, 2016, (ii) the date the Agreement has been filed with the FMC and has become effective in accordance with the Shipping Act of 1984, as amended, or (iii) such other date as the Parties may agree in writing but not prior to the effectiveness of the Agreement under the Shipping Act.

Notwithstanding the foregoing, the Agreement may not terminate, unless otherwise agreed, prior to:

-
- termination of the current voyages legs of the Services involving the slot exchange as defined in Article 8 a) (Eastbound and Westbound voyages, which means all vessels having returned respectively to US West Coast and Asia and all cargo and containers discharged up respectively to the last port in US West Coast and Asia) having already started at the date of effect of such notice of termination;
 - termination of the current roundtrip voyages of the Services involving the slot exchange as defined in Article 8 b) (which means all vessels having returned to Asia and all cargo and containers discharged up respectively to the last port in Asia) having already started at the date of effect of such notice of termination.

At the end of the cooperation, each Party shall have provided the same number of slots to the other Party they received on the other Party Service. Should an imbalance of slots be identified, at the end of the Agreement, Parties shall agree on compensation.

Notwithstanding the above, this Agreement can be terminated by written notice as follows:

- a) at any time in case of breach of fundamental terms of this Agreement, which terms may be agreed upon in writing from time to time by the Parties; and
- b) at any time upon mutual agreement of the Parties.
- c) at any time, effective the date of Service termination, in the event PRX and/or CEN and/or MD1 Services is/are terminated and the Loading Party shall advise the Shipping Party in case of the termination of said Service as soon as known.

8. Slot Exchange

- a) As from M/V CMA CGM LEO (or substitute), eta Fuqing on or about May 20, 2016 for the Eastbound voyage and M/V CMA CGM LIBRA (or substitute), eta Long Beach on or about May 13, 2016 for the Westbound voyage, CMA CGM shall provide to COSCON from its PRX allocation 500 TEUs at 10 gwt average or 5,000 tons, 30 45'HC units and 25 reefer plugs per weekly sailing on a used or not used basis,

and in exchange,

As from M/V COSCO PACIFIC (or substitute), eta Tianjin on or about May 18, 2016 for the Eastbound voyage and M/V COSCO PHILIPPINES (or substitute), eta Long Beach on or about May 11, 2016 for the Westbound voyage, COSCON shall provide to CMA CGM from its CEN allocation 500 TEUs at 10 gwt average or 5,000 tons, 30 45'HC units and 25 reefer plugs per weekly sailing on a used or not used basis,

b) As from M/V CMA CGM LEO (or substitute), eta Fuqing on or about May 20, 2016, CMA CGM shall provide to COSCON from its PRX allocation 700 TEUs at 10 gwt average or 7,000 tons, 42 45'HC units and 35 reefer plugs per round-trip weekly sailing on a used or not used basis,

and in exchange,

As from M/V COSCO KAOHSIUNG (or substitute), eta Singapore on or about May 16, 2016, COSCON shall provide to CMA CGM from its MD1 allocation 700 TEUs at 10 gwt average or 7,000 tons, 42 45'HC units and 35 reefer plugs per round-trip weekly sailing on a used or not used basis.

c) Upon mutual written agreement, the Parties may adjust the above slot allocations up or down by up to one hundred percent (100%), without further amendment of this Agreement or any filing with the FMC.

The PRX service shall consist of a round trip voyage, calling on a fixed day and weekly basis in such ports within the trade. Initially, the port rotation shall be:

Fuqing – Xiamen – Nansha – Hong Kong – Yantian – Long Beach – Oakland – Fuqing

The CEN service shall consist of a round trip voyage, calling on a fixed day and weekly basis in such ports within the trade. Initially, the port rotation shall be:

Tianjin – Qingdao – Shanghai – Prince Rupert – Long Beach – Oakland – Tianjin

The MD1 service shall consist of a round trip voyage, calling on a fixed day and weekly basis in such ports within the trade. Initially, the port rotation shall be:

Port Kelang – Singapore – Vung Tau – Hong Kong – Yantian – Long Beach – Seattle – Qingdao – Shanghai – Ningbo – Hong Kong – Nansha – Yantian – Singapore

Any change of the foregoing rotations within the Trade shall not require further amendment of this Agreement or any filing with the FMC. The Parties are authorized to discuss and agree on the ports to be called, port rotation, and scheduling of the services to be provided hereunder; provided, that the Loading Party will make the final decision with respect

thereto. Additional ports of call may be added on an *ad hoc* basis at the discretion of the Loading Party, if such port call does not affect the time for loading and discharge in regular ports, schedule integrity, service frequency and normal transit time.

Any 40'HC shall be counted as 2 TEUs.

Any 45'HC shall be counted as 2,5 TEUs for each 45'HC loaded on board any vessel of the Services within the allocation of each Party as defined in Article 8), and shall be considered as an OOG for each 45'HC loaded on board any vessel of the Services above each Party's allocation.

The Parties are authorized to sell/purchase/exchange space from their respective allocations to/from one another on such terms as they may agree from time to time. The Parties are further authorized to purchase slots from each other in addition to those set forth in the above allocation from time to time, on such terms as the Parties may agree and subject to space availability.

The Parties are further authorized to discuss and agree on their respective rights, fair and reasonable allocation of liabilities among the Parties, apportionment of damages, satisfaction of claims, procurement of insurance and claims thereunder, and indemnities for activities under this Agreement, including but not limited to matters pertaining to cargo loss or damage; damage or loss to containers or other equipment; schedule or delivery delays; loss of or damage to a vessel; accidents; hazardous, breakbulk, or oversized cargoes; loss or damage caused by cargo; damage to persons or property; failure to perform; force majeure; general average; and any liability to third parties.

9. Slot Costs

The Parties are authorized to discuss and agree upon the amounts they shall charge each other for the carriage of loaded and empty Containers hereunder, and may adjust said amounts as they may agree from time to time. The Parties are further authorized to discuss and agree upon the terms of payment for the vessel space provided in accordance with this Agreement.

The Parties are authorized to discuss and agree on the operational and financial terms to be applicable on each Service such as reefer surcharge, excess slot count, schedule recovery measures and similar matters.

10. Force Majeure

Performance of a Party under this Agreement shall be excused to the extent it is frustrated by the existence or apprehension of any

circumstances whatsoever beyond that Party's reasonable control, such as but not limited to Act of God, war (declared or undeclared), hostilities or the imminence thereof, warlike or belligerent acts or operations, riots, civil commotion or other disturbances, terrorism or terrorist acts; closure of, obstacle in or danger to any canal; blockade of port or place or interdict or prohibition, condition or restriction of any kind on calls by either party's vessel at any port; port closure which result in the vessel's practical inability to call such port, or any restriction on commerce or trading; port/berth congestion which incurs a delay of more than 48 hours; compliance with any compulsory law or governmental action, including but not limited to quarantine, sanitary or other similar regulations or restrictions; strikes, lockouts or other labor troubles whether partial or general and whether or not involving employees of a party or his sub-contractors; , shortage or absence of facilities for loading, discharging, delivery or other handling of cargo military operations; sabotage; boycott against flag; political ban; epidemic; immunities as set out in the Hague Visby Rules Article IV Rules 1 & 2 (to the exception of items i, m, n, o and p for the portion related to cargo and containers) & 4; in the event of extreme or apparent direct weather case, such as typhoon, hurricane, and seaquake, bad weather under conditions with Beaufort scale of 10 or more for cumulative period of 20 percent of steaming hours on each short leg from port to port or any other event or circumstances beyond the control of the Parties (not including commercial circumstances but including collision, grounding, fire on board, explosion or fire affecting the propulsion or safe navigation of the vessel and other significant impacts to the vessel) which render the performance of the Agreement wholly or substantially impracticable.

11. Terminals

- (a) Subject to the Parties' underlying respective agreements with other Partners, the Parties are authorized to discuss and agree on the joint and/or individual negotiation of appropriate contracts with terminal operators and stevedores, and to reach agreement on other issues relating to the loading and/or discharge of cargo, such as but not limited to overtime, stand-by time and common costs sharing.
- (b) Parties agree they will endeavor to select terminals according to the following objective criteria including, but not limited to service level, rates and costs offered to the Parties.
Subject to the above conditions being respected, Parties agree they will endeavor to select terminals where Parties have equities.

12. Applicable Law and Arbitration

- (a) This Agreement, and any matter or dispute arising out of this Agreement, shall be governed and construed in accordance with

the laws of England except that nothing shall relieve the Parties of their obligation to comply with the US Shipping Act of 1984, as amended.

- (b) Any dispute or difference arising out of or in connection with this Agreement which cannot be resolved amicably shall be referred to the exclusive jurisdiction of the High Court of Justice in London. However any dispute relating to loss or damage to cargo or container carried under either Party's B/L shall be referred to the law and jurisdiction mentioned in the B/L of this Party.
- (c) Either Party may at any time call for mediation of a dispute under the auspices of the LMAA (London Maritime Arbitration Association). Unless agreed, such mediation shall not otherwise interfere with or affect anything else including the time bars and Court procedure. If a Party calls for mediation and such is refused, the Party calling for mediation shall be entitled to bring that refusal to the attention of the Court.
- (d) The Parties shall keep confidential all awards made, together with all materials in the proceedings created for the purpose of the mediation, and all other documents produced by another Party in the proceedings not otherwise in the public domain – save and to the extent that disclosure may be required of a Party by legal duty, to protect or pursue a legal right or to enforce or challenge an award in bona fide legal proceedings before a court or other competent judicial authority.

13. Third Parties

Except as otherwise provided herein, each Party shall not be entitled to sublet slots on the other Party's Service under this Agreement to any third parties ocean common carriers without prior written consent from the Loading Party. Parties agree that CMA CGM and COSCON are entitled to sub-charter space respectively on the PRX Service, on the CEN Service and on the MD1 Service to its fully owned affiliates and subsidiaries that are vessel-operating common carriers for purposes of the Shipping Act.

Any affiliate or subsidiary or third party of a Party receiving space hereunder may not sub-charter that space to any other third-party ocean common carrier without the prior written consent of the other Party. Any Party sub-chartering slots shall remain fully responsible and liable to the other Party for the due performance and fulfillment of this Agreement by persons to whom slots are sub-chartered.

14. Notices

- (a) All legal process, notices or other formal communications required by or in connection with this Agreement shall be in writing and sent by internationally-recognized overnight courier or email (in the case of email, always followed by a copy by registered mail), and addressed to the other Party at its official company address as follows:

To CMA CGM:

CMA CGM S.A.
4, Quai d'Arenc
13235 Marseille Cedex 02
France
Attn: Mr. Rodolphe Saadé / Mr. Olivier Nivoix
E-Mail: ho.rjsaade@cma-cgm.com / ho.onivoix@cma-cgm.com

To COSCON:

COSCO CONTAINER LINES COMPANY, LIMITED
378, Da Ming Road (East)
Shanghai, The People's Republic of China
Attn: CHENGJING@COSCON.COM / MAOJX@COSCON.COM
E-Mail: HEYB@COSCON.COM

- (b) Any such notices, legal processes or other formal communications shall be deemed to have reached the person when they have been posted or dispatched.

15. Non-Assignment

No Party may assign its rights, including its rights to utilize the Container Slots, or delegate its duties under this Agreement to any other person or entity without the prior written consent of the other Party. Notwithstanding the above, each of the Parties may on written notice to the other Party assign its rights or delegate its duties under this Agreement to a fully-owned affiliate or subsidiary; provided that in the event of such an assignment, the assigning Party shall remain responsible for the due and punctual performance of this Agreement by such an affiliate or subsidiary.

16. Amendment and Embodiment

This Agreement may not be amended, modified or rescinded except in writing and duly signed by authorized signatories of the Parties, and any amendment, addendum or appendix so signed shall constitute a part of

this Agreement at such time as it has been filed with the FMC and has become effective under the Shipping Act of 1984, as amended.

17. Further Agreements

The Parties are authorized to enter into further agreements with respect to routine operational, technical and administrative matters to the extent necessary or desirable to implement the general provisions contained in this Agreement (including, but not limited to, that set forth in Article 8 and 9 hereof) without further amendment to this Agreement. Any further agreement contemplated by this Agreement, except to the extent such further agreement relates to routine operational, technical and administrative matters, shall be filed with the FMC and become effective under the Shipping Act of 1984 prior to being implemented.

18. Compliance with laws

The Parties shall at all times be compliant with mandatory applicable U.S. federal and state laws and regulations in force during the course of this Agreement. The Parties may discuss and agree upon terms relating to legal compliance as they believe prudent and necessary, including, but not limited to, compliance with the legal regimes of other countries having lawful jurisdiction over either or both of the Parties in relation to performance of this Agreement, and liability/indemnification for any non-compliance by a Party. The general principle shall be that any consequence to this Agreement or a Party(ies) resulting from the non-compliance of a Party shall be borne in full by that Party, except to the extent that the non-compliance of such Party was caused by an action or omission of the other Party.

19. Agreement Officials and Delegations of Authority

The following persons are authorized to subscribe to and file this Agreement and any accompanying materials and any subsequent modifications to this Agreement with the Federal Maritime Commission:

- (i) Any authorized officer of a Party; and
- (ii) Legal counsel for a Party.

20. Severability

If any provision of this Agreement, as presently stated or later amended is held to be invalid, illegal or unenforceable in any jurisdiction in which this Agreement is operational then this Agreement shall be invalid only to the extent of such invalidity, illegality or unenforceability and no further. All remaining provisions hereof shall remain binding and enforceable.

CMA CGM/COSCON Slot Exchange
Agreement Asia-U.S. West Coast
FMC AGREEMENT NO. 012409
ORIGINAL SIGNATURE PAGE

SIGNATURE PAGE

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE AGREED THIS
___ DAY OF MAY, 2016 TO ENTER INTO THIS AGREEMENT AS PER THE
ATTACHED PAGES AND TO FILE SAME WITH THE U.S. FEDERAL MARITIME
COMMISSION.

CMA CGM S.A.

COSCO CONTAINER LINES CO., LTD.

By: _____

Name: Olivier NIVOIX

Date: 03/05/16

By: _____

Name: Eric Jeffrey

Date: 5-3-16